

## Benefits and Disadvantages of Ecommerce

Ecommerce is the ability to browse, decide, and purchase a commodity online through the use of the internet and internet cash exchange procedures. This new face of commerce was made possible because of the emergence and the booming of the internet.

Like any other platforms of business, ecommerce have its own advantages as well as disadvantages that need to be watched out for to avoid business failure.

The advantage of doing ecommerce is that it allows business people to carry out their business without the time as well as the distance restrictions. Any potential buyers can just log on and browse the web for anything that they would like to buy regardless of the time difference across all borders or the availability of the seller to be actually present during the purchase. There is no need to worry for all these as the internet and the sellers' website are open 24/7.

Promotion on the part of the seller too is made easy. There is no need to rent air time on TV or radio to introduce product as sellers can just create promotional materials right on their websites. In fact, there is no time and space constraint when doing an ad in your own website.

The overall cost of doing business too can be minimized by ecommerce. One concrete example is that companies and big stores can promote, sell, and educate potential buyers about their product so that when they visit the companies show room, the potential customers have at least made up their mind whether they want to buy the product or not. The time to entertain customers browsing for the first time can be at least lessened. Customers too can be better informed about the product before buying it by reading its description as well as other buyers' comment about the product on the web.

One disadvantage of ecommerce at least to the government is the application of tax. As business can be done in the internet just as easily as clicking a button, paying the appropriate tax can be easily evaded. The rules that apply to the provision of tax from sales across states, let alone across continents, are still not that precise.

Another disadvantage, and perhaps the biggest problem of ecommerce, is the issue on security. As cash is exchanged on the web across borders and continents, many unscrupulous individuals are enticed to target this activity to perform illegal means to earn money. Identity theft and hacking of personal information have become one of the serious problems in the internet today. People with enough knowledge and time on the web can find a way to steal money from people doing business on the web. This needs to be watched out for in ecommerce.

## About the Author

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